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SENSITIVE
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DEPARTMENT FOR EAP/ANP, EEB/ESC (TOM HAMMANG), EEB/TFS
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E.O. 12958: DECL: 12/02/2019
TAGS: [ECON](#) [ENRG](#) [EPET](#) [ETTC](#) [PREL](#) [AS](#)
SUBJECT: AUSTRALIA: LNG LTD. AND IRAN SANCTIONS ACT

REF: A. STATE 121808
[1](#)B. 2007 PERTH 15

Classified By: Political-Economic Counselor Edgard Kagan, Reasons 1.4 (b)(d).

[1](#)1. (SBU) Econoff spoke with Liquefied Natural Gas Limited (LNG Ltd.) Managing Director and CEO Maurice Brand on December 2. Our former Consul General in Perth last spoke with Brand regarding the Iran Sanctions Act on March 16, 2007 (reftel B). Responses to reftel A follow below.

[1](#)2. (C) According to Brand, LNG's original interest was to set up a small platform on Qeshm island to liquefy and export LNG globally. However, no agreement was ever reached with Iran and the project never materialized. Brand said no one from the company has visited the site in the past two years and there has been no negotiation activity on the project since, stating that, "LNG has never been more than a potential developer" for the project.

[1](#)3. (C) Brand revealed that over the past four years LNG has spent about USD 1 million on trips, studies, and other associated expenses related to the project. While conscious of U.S. sanctions and their negative repercussions, Brand blamed dealing with Iran's "internal difficulties" as the real reason why no deal ever came to fruition. He maintains that the investment is still viable, "If the Iranians ever get their act together." Brand said the investment, if carried out, would be worth approximately USD 600 million.

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